

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, Hawaii 96813

May 8, 2009

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

OAHU

Request for a one year extension to an Approval in Principle for a Direct Lease to Honolulu Marine LLC for construction of a shipyard and Limited Right-of-Entry at Keehi Small Boat Harbor, Oahu, Tax Map Key: (1) 1-2-025:por.024

APPLICANT:

Honolulu Marine LLC, a Hawaii for-profit corporation, the majority of which is owned by a Native Hawaiian Organization as certified by the Small Business Administration, whose business and mailing address is 123 Ahui Street, Honolulu, Hawaii 96813.

LEGAL REFERENCE:

Section 171-59(b), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Keehi Small Boat Harbor, Oahu, identified by Tax Map Key:(1) 1-2-025:por.024.

AREA:

1.11 acres fast land, 0.53 acres fill land & 0.48 acres submerged land, more or less.

ZONING:

State Land Use District:	Urban
City & County of Honolulu CZO:	I-3 Industrial Waterfront

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_\_ NO X

CURRENT USE STATUS:

Vacant and unencumbered. Presently still used by DOBOR for impound area and staging.

CHARACTER OF USE:

Shipyard for the construction and repair of maritime vessels.

REMARKS:

On July 13, 2007, the Division of Boating and Ocean Recreation requested that the Board give approval in principle of a direct lease to Honolulu Marine LLC for the construction of a shipyard and limited Right-of-Entry at the Keehi Small Boat Harbor, Oahu. The Board authorized eighteen months to comply with Chapter 343, Hawaii Revised Statutes, as amended and a Limited Right-of-Entry for that period to perform surveys, testing, and reconnaissance that may be necessary to secure the entitlements including, but not limited to, Chapter 343 compliance, SMA Use Permit, CDUA Permit, and Shoreline Certification.

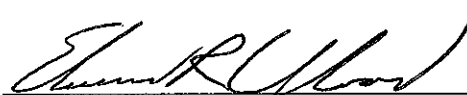
At the time of the July 13, 2007 Land Board meeting, Honolulu Marine believed the permitting process would take at least eighteen months to complete; therefore, Honolulu Marine LLC requested an eighteen month period to complete Chapter 343 compliance process and the Land Board approved the recommendation with the expiration of the performance term to expire January 13, 2009.

On January 21, 2009, Honolulu Marine LLC sent a letter of request for an extension from January 13, 2009 to August 31, 2009 because they were informed in November 2008 that the property would need to be subdivided (Exhibit A). Subdividing the property was not anticipated during the original request thus resulting in further delays. Upon further discussion with Honolulu Marine LLC, it was agreed that in order to ensure that there is sufficient time to finalize the permitting process and negotiate the terms of a direct lease the request for an extension to August 31, 2009 should be amended to January 13, 2010.

RECOMMENDATION: That the Board:

1. Approve the one year extension of time for the approval in principle for a direct lease to Honolulu Marine LLC retroactively from January 13, 2009 to January 13, 2010.
2. Authorize the extension of the present limited right-of-entry from January 13, 2009 until January 13, 2010 to Honolulu Marine LLC and their contractors covering the subject area under the terms and conditions of the previously approved Land Board submittal of July 13, 2007.

Respectfully Submitted,



Edward R. Underwood  
Administrator

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
Laura H. Thielen, Chairperson

63700

# Honolulu Marine LLC

21 January 2009

Ms. Laura H. Thielen, Chairperson  
Department of Land and Natural Resources  
Kalanimoku Building  
1151 Punchbowl St.  
Honolulu, HI 96813

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DEPT. OF LAND  
& NATURAL RESOURCES  
STATE OF HAWAII

Subject: Request for Extension to an Approval in Principle for a Direct Lease to Honolulu Marine for Construction of a Shipyard and Limited Right-of-Entry at Keehi Small Boat Harbor, Oahu, Tax Map Key: (1) 1-2-025:por.024

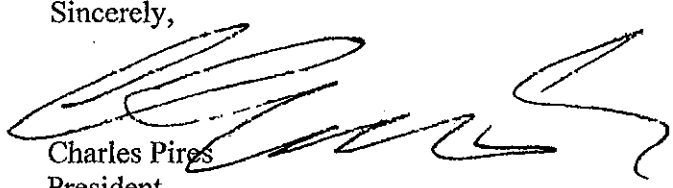
Dear Ms. Thielen:

Honolulu Marine LLC (HM LLC) respectfully requests an extension from 13 January 2009 to 31 August 2009 in order to finalize permits and negotiate a direct lease for the development of a shipyard at Keehi small boat harbor. HM LLC obtained a FONSI on the EA for the proposed development as published on 23 February 2009 by The Office of Environmental Quality Control. The SMA use permit was granted by the City and County of Honolulu on 12 November 2008. Currently, our CDUA permit and shoreline certification are being reviewed. The ACOR and 401K water quality permits will be submitted shortly.

Although we continue to make good progress, we will need the extension in order to complete the outstanding permits, complete the subdivision survey that is now required for the direct lease, and negotiate the terms of the direct lease.

We look forward to your favorable response to our extension request. For additional information, you may contact Mark Delventhal ([mark@pnrwatertaxi.com](mailto:mark@pnrwatertaxi.com); 526-9311).

Sincerely,

  
Charles Pires  
President

Copy to:  
Russell Tsuji, DLNR Deputy Director  
Ed Underwood, DOBOR Administrator